

1 Q -- special temporary authorization?

2 MR. COLBY: Can I furnish you with a copy of that?

3 MR. SHOOK: No. I was just checking to see
4 whether there might be something else.

5 MR. COLBY: I was thinking that you might be
6 thinking that we didn't.

7 MR. SHOOK: Oh, no. No. I understood that you
8 had filed something. But what I didn't know was whether
9 something else might have been filed as well. One would
10 like to think that everything that's filed here we find out
11 about, but that's not necessarily so.

12 MR. COLBY: Well, that's why I wanted to be sure I
13 sent you a copy. That's why I asked.

14 MR. SHOOK: You did. We have it. Now I want to
15 focus your attention on WSTX, not the FM. So this will be
16 the AM now. Did there come a time when you became aware
17 that WSTX AM was not transmitting at its authorized power?

18 THE WITNESS: Yes, I did.

19 BY MR. SHOOK:

20 Q And approximately when did you come to that
21 knowledge?

22 A When the antenna went down in Hurricane Lenny.

23 Q I'm a lucky fellow. I don't have to deal with
24 hurricanes on a regular basis like you, so --

25 A November 1999. And I know that my father had made

1 a call to the FCC when we were able to have a telephone. We
2 were out of telephone service for awhile. And when he was
3 able to get through, I was there with him when he called to
4 get the information where to send the phones and exactly how
5 much it would entail to have the -- in order to get the
6 temporary antenna, the line antenna. But anything after
7 that, I'm not aware of, or when it goes down or -- but I
8 know once the antenna went down, that was it.

9 Q Now I want to direct your attention to Deposition
10 Exhibit 8. And that is a notice of violation that was
11 released May 1, 2000, relative to WSTX AM. Did you receive
12 a copy of this document?

13 A Yes, I did.

14 Q And did you discuss with anyone what it meant?

15 A Yes. As usually, I passed it on to my father
16 since he was the one who handled these. And I did ask him
17 about the temporary authorization. And I do believe that's
18 when he filed it, after that.

19 Q So as of May 1, 2000, are you aware that WSTX was
20 not operating in accordance with its license?

21 A Yes, that's when I knew definitely.

22 Q And you did not know that beforehand?

23 A No. I was of the understanding that he already
24 filed for the special temporary authorization.

25 Q And when you say he, you are referring to your

1 father?

2 A My father. Yes, I am.

3 Q And so once this notice of violation came, you
4 were aware that no such authorization had been granted at
5 that point?

6 A Yes.

7 Q Now this notice of violation reflected in
8 Deposition Exhibit 8 and the one that is reflected in
9 Deposition Exhibit 9 apparently followed on the heels of an
10 inspection that took place on April 13, 2000. Was it the
11 case that you accompanied the agent of the Commission on
12 that inspection?

13 A Yes, I did.

14 Q And did he point out to you at that time that WSTX
15 was not operating in accordance with this license?

16 A Yes.

17 Q Did he also point out to you that WSTX FM was not
18 operating in accordance with its license?

19 A Yes, he did.

20 Q Now prior to April 13, 2000, were you aware that
21 family did not have a public inspection file for either WSTX
22 or WSTX FM at the station's main studio?

23 A Yes, I did.

24 Q Let me make sure I understand your testimony.
25 Prior to the inspection, did you know whether or not WSTX

1 was operating in accordance with its license?

2 A Prior to Mr. Jusino's visit?

3 Q Yes, ma'am.

4 A Not until he came. That's when I knew that the
5 documentation that should have been filed requesting -- for
6 example, the line antenna had not been done. And that's
7 when I found out definitely that we were not in compliance.

8 Q And with respect to WSTX FM, prior to the
9 inspection of April 13, 2000, you were not aware that the
10 station was not operating in accordance with its license?

11 A Not prior to that.

12 Q Now as of the time of the inspection, if you could
13 briefly just describe for me what happened at that point.
14 The inspector arrives, and then was his arrival unexpected,
15 or did you know he was coming?

16 A No. The two times that I have been there when he
17 came, they never knew that he was coming.

18 Q So we'll focus on the more recent one first. So
19 just give me some idea of what happened. The inspector
20 arrives, and he greets you or --

21 A I was not there. I was on my way there. I was
22 home with my son, who was sick, and I received a call from
23 the station, and my father went ahead to the radio station.
24 He was on his way to his office. He went to the station
25 until I got there. When I got there, he left, and I sat

1 with Mr. Jusino, and he asked about the station log, and I
2 told him I was in the process since going back there of
3 gathering the information because a lot of the documents had
4 been destroyed. They had gotten wet. We had dumped a whole
5 lot of things out, so I was in the process of getting it.
6 And Mr. Jusino even suggested that -- this was April 13,
7 2000.

8 My parents were coming here to Washington, D.C.,
9 in May 2000 for my father's 50th graduation anniversary at
10 Howard University, and it happened to be the first
11 grandchild's graduation from Howard University. So my
12 parents were here. And Mr. Jusino -- I mentioned that they
13 were coming here. Mr. Jusino suggested that they visit the
14 FCC library and get a copy of everything in our file, and
15 that would replace what was lost, which they did. I have
16 the receipt and all the documents. And that is how I was
17 able to start rebuilding a public file. And that was at his
18 suggestion.

19 Q And then at that point you and Mr. Jusino started
20 to walk around?

21 A We walked around. We went into the room where the
22 emergency alert system, it's the machine. Everything was
23 intact. You could hear what -- we had a problem with the
24 power source, which had burned out. And at the same time, I
25 showed him some information that I had spoken to someone in

1 Frederick, Maryland, the company, so that we could get a new
2 power cord, the power source. And he said, okay, fine, you
3 know, at least you're ahead of the game with that.

4 So we had no way of getting a printout. However,
5 Mr. Jusino turned and he was able to listen. And as a
6 matter of fact, in his presence, when he was there, an alert
7 came in because he even remarked that this was the first
8 time anything like this had happened to him while on an
9 inspection tour. So, you know, I felt good at that point.
10 At least one thing was positive. And then from there, we
11 went up on the hill to the antenna, and that's when he
12 pointed out the hole in the fence. Prior to that time, I
13 had not been up the hill since there was no antenna.

14 Then we went into -- I unlocked the door. He went
15 in. He looked at the transmitter.

16 Q The FM transmitter?

17 A The AM, which is behind a locked gate inside of a
18 room. And then he saw an exciter. And that is when he
19 mentioned about the FM. Up until that point, I had no idea
20 what -- how we were transmitting with the FM. I knew we had
21 an antenna outside, a little antenna, and this little piece
22 of equipment. But that was it for the FM. So that's when
23 he pointed out that that was an exciter, not a transmitter,
24 for the FM. So that was the first time I was aware of that.

25 Q Now did anything else happen during that

1 inspection?

2 A Not that I can recall because after the inspection
3 was over, we sat there and we chatted for awhile, and then
4 he left. He was there approximately from 9:00 a.m. until
5 about maybe 2:00, 2:30 in the afternoon. But during his
6 visit, he explained what all -- he really stressed a lot
7 what all I needed to have in the station as far as all the
8 documents that were here in the library. He told me to get
9 all of those and keep them in the file for the public file.

10 Q The public file?

11 A Mm-hmm.

12 Q Okay. As opposed to the station log.

13 A Yeah.

14 Q The station logs were something different, right?

15 A Mm-hmm.

16 MR. SHOOK: May I have this marked, please.

17 (The document referred to was
18 marked for identification as
19 Deposition Exhibit No. 10)

20 BY MR. SHOOK:

21 Q Now what is marked as Deposition Exhibit 10 is a
22 July 19, 2000, letter that bears the signature of Joseph P.
23 Casey, and it is directed to G. Luz A. James, Esquire. Did
24 you receive a copy of this letter?

25 A I may have because if anything is faxed to the

1 station and I'm not there, it is put in -- it is supposed to
2 be put in my box. But there are times when things come in
3 that I don't receive it. But I may have gotten this, but I
4 don't recall it.

5 Q Well, let's take a look on page 3. It reflects
6 that it was sent via fax to Barbara James-Petersen, general
7 manager. And if you take a brief look at the letter, it may
8 help you remember whether or not you actually received it.

9 A I may have gotten this. But as I said, for
10 everything that came in from FCC, I usually just passed it
11 on to my father.

12 Q Do you know whether or not Family responded to
13 this letter?

14 A I am not aware of any of that. My father may
15 have.

16 Q Would it surprise you to know that our
17 understanding is that Family did not respond to this letter?

18 A No. Honestly, no.

19 Q So assuming for the moment that Family did not
20 respond to this letter, do you have any explanation as to
21 why it did not?

22 A No, I have none since everything was turned over
23 to my father, and he was the one that dealt directly with
24 anything concerning FCC.

25 Q I believe you mentioned that there was a period of

1 time that I think began in September of 1990 and, if I
2 recall your testimony, extended to the end of 1992, where
3 you served as the station's general manager.

4 A Yes.

5 Q Was that a paid position at that point?

6 A It was paid up to a point. Whenever the station
7 had enough money to pay me, I would receive a payroll check.
8 And I had many unpaid periods.

9 Q And could you briefly describe what your duties
10 were at that point in time?

11 A The same as it was up until recently, just
12 overseeing the daily operation of the station, oversee the
13 work of the sales manager, program director, station
14 manager.

15 Q Did you have any role whatsoever in determining
16 what the budget for the station should be?

17 A No, I did not.

18 Q Did you have any role from July 1998 to the
19 present in determining what the station's budget should be?

20 A No.

21 Q Do you currently have any role in determining what
22 the station's budget should be?

23 A Well, since becoming president, I've already
24 started working on a budget, exactly how much we would have
25 to make monthly, and then on an annual basis, in order to

1 keep everything going, keep the employees, pay the expenses.

2 Q Now if you remember, one of the things that we
3 talked about with respect to expenses were two items that
4 happened to appear on both the 1996 and 1997 federal tax
5 returns. And let me go back to those two, specifically,
6 Deposition Exhibit 5 and Deposition Exhibit 6A. And the
7 pages of both that I want you to be looking at is page 4.
8 Now the three items that we had talked about before were
9 under schedule L, and they were items 17, 19, and 20. I
10 just want to give you a chance to get acclimated.

11 Now in trying to -- I take it you're still in the
12 process of preparing a budget, or have you in fact prepared
13 a budget for the stations?

14 A I am in the process of preparing a budget.

15 Q In that process, are you taking into account the
16 figures that appear here on lines 17, 19, 20, that is,
17 mortgages, notes, bonds payable in less than one year, loans
18 from stockholders, and then mortgages, notes, and bond
19 payable in one year or more. Have you taken those into
20 account?

21 A Not these particular figures, since I'm trying to
22 find all the other documentation that was requested so that
23 I could know what a more recent figure is.

24 Q Right. I understand that it may well be that what
25 is current is decidedly different than what appears here on

1 these two returns. But by the same token, what I don't know
2 and what I'm asking you is whether you are aware of what
3 currently the appropriate figures would be for those lines,
4 17, 19, and 20.

5 A I don't know what the current figures would be.

6 Q Is it your understanding that the stations WSTX
7 and WSTX FM have a complete public file at the station's
8 main studio?

9 A Currently, yes.

10 Q And in your role as general manager and/or
11 president of Family, have you ever had the pleasure of
12 trying to read through the FCC rules that govern broadcast
13 stations?

14 A I have an old copy, but I decided when I came up
15 here for the deposition I would purchase the most recent
16 copy so that I can take the time to read that. But between
17 March and now, I have not.

18 Q Do the stations have currently any insurance that
19 would cover damage to the stations as a consequence of
20 another hurricane?

21 A I am not aware of that. I would have to get that
22 information.

23 MR. COLBY: I doubt any insurance company in his
24 right mind would ensure anything in the Virgin Islands
25 against hurricanes.

1 MR. SHOOK: Well, one doesn't know until one asks.

2 MR. COLBY: We can find out.

3 BY MR. SHOOK:

4 Q What is your understanding as to whether or not --
5 well, let me rephrase that. With respect to the year 2000,
6 what understanding do you have as to whether or not Family
7 made a profit?

8 A The 2000, no profit.

9 Q Was there a loss?

10 A Since I have been back to the station since 1998,
11 there has been a loss because of the economic conditions. A
12 lot of businesses are closing and of the companies that
13 would normally advertise with us, let's say on an annual
14 basis -- they may have done that in the beginning -- are
15 only advertising when they have a special sale or a special
16 need. And therefore, revenues have dropped drastically.
17 And many times you can barely just cover net payroll. And
18 as of last week, three more businesses closed. And these
19 are large businesses on St. Croix.

20 Q Well, going back to 1998, for the year 1998, you
21 started as general manager on or about July 1. So for the
22 last six months of 1998, you were general manager of the
23 stations. Do you know whether or not the stations showed a
24 profit in 1998?

25 A Not since I have been there.

1 Q So in 1998, there was a loss, 1999 there was a
2 loss, 2000 there was a loss. And the losses are continuing?

3 A Because of the economic conditions. But I think
4 once -- I think a major problem is that we need to find some
5 way to generate interest to try to get people to advertise
6 again. A lot of people are skeptical about spending the
7 money that they don't know whether they will have it
8 tomorrow. And that's a big problem. But I think it's
9 possible to work around that and to get the confidence of
10 the people back.

11 Q Well, with respect to 1998, taking your answer
12 that the stations operated at a loss in 1998, do you know
13 how that loss was funded? Where did the money come from in
14 order to keep the station going if the station was operating
15 at a loss?

16 A Well, it has already come directly from my
17 parents. They have always made -- you know, picked up the
18 difference, made the difference.

19 Q That would also be true of 1999?

20 A Yes.

21 Q And 2000?

22 A Yes.

23 Q And currently?

24 A Up until -- as late as March because whatever the
25 station makes, then it covers itself. But there are times

1 you may have a good two weeks. Within a month, you'll have
2 a bad two weeks. But it is difficult to call unless -- in
3 an election year, that's when you stand a chance of maybe
4 breaking even, but you never get a profit. You just will
5 break even. And 1998 was an election year and we just about
6 broke even. 2000 was an election year down there. And
7 since I was there, I was able to pay up some bills that we
8 had outstanding. But it's never enough that you can make a
9 profit. If you are lucky, you break even or just below
10 break even.

11 Q So now we have got a corporation with, say, at
12 least a ten year history because we have family taking over
13 the stations in September of 1990. So we have gone ten
14 years and -- yeah, about ten and a half years at this point.
15 Has the station lost money in each of the years that it has
16 been operating?

17 A Well, to the best of my knowledge, because
18 initially the problem that I had with the way the station
19 was being run, it was not being run as a business. My
20 father would have people come up there, friends of his, and
21 he would give the advertisement away, something that they
22 would pay if they went to another radio station. They
23 wouldn't hesitate to pay. But when it comes to us, they
24 expect us to give it to them for free.

25 Now since I have been there, I have had some

1 negative remarks about me because I have told many people
2 this is business. This is not a charitable institution. I
3 have bills to pay. So I have gotten some negative reaction
4 from some people. But it is a business, and it has to
5 operate as a business, and not -- you know, in business,
6 there are no friends.

7 But my father didn't understand that. You're his
8 friend, he would give you the shirt on his back if you
9 needed the shirt on his back. I'm not like that. It's a
10 business. It has to operate as a business. If it not carry
11 itself, then it doesn't need to be big.

12 Q Well, it does raise a question in my mind. If the
13 stations have essentially been losing money for most, not
14 necessarily all, but most of the period that Family has been
15 the licensee, why in the world would you want to take over
16 this operation and become president of it when it is a money
17 losing operation?

18 A Because I think I can turn it around. I honestly
19 believe I can turn it around because, like I said, my father
20 did not operate it as a business, and that's where we
21 differ. I would operate it as a business. And I think the
22 hurricanes that we have had from 1989 to November 1999, that
23 also played a major portion, a major role in, causing the
24 downturn in the economy. In the beginning, things were
25 good. There is no doubt about that. But after the

1 hurricanes started coming one after the other, you never
2 really got a chance to pull yourself back up and start, you
3 know, going, making a positive -- having a positive effect
4 any more. Everything was always against you, and then you
5 had insurance companies tripling their rates.

6 Two weeks ago, before I left, we had insurance
7 companies who were closing down because they refused to
8 carry insurance on homes and businesses. They decided that
9 they are not making a profit. But they forget that all the
10 years that they were prior to Hurricane Hugo in 1989 in St.
11 Croix, they were making money. They were getting their
12 premiums.

13 I know in one case I can speak personally.
14 Premiums that for several properties that on an annual basis
15 would come up to maybe \$10,000 to cover everything, after
16 September 1989, with Hurricane Hugo, we were faced with a
17 bill of \$48,000 for the same properties that we paid \$10,000
18 before. And that's the kind of things that we have had to
19 deal with. And it hasn't been easy. But I feel that I
20 willing to give it a chance because I know it can work. It
21 just has to operate as a business.

22 Q Has Family gone through an appraisal at any time
23 in the last year?

24 A Not that I'm aware of.

25 Q Has it gone through an appraisal at any time that

1 you are aware of?

2 A In the beginning, I do believe, initially. But I
3 was up here. I hadn't moved home yet. Then everything was
4 being worked out as far as the station is concerned.

5 Q In other words, prior to the time your parents
6 bought the stations, there was an appraisal so that they
7 could ascertain how much was a reasonable price to pay for
8 the stations?

9 A I do believe. I hope. Because in my estimation,
10 they paid entirely too much for it.

11 Q Well, how many competitors do you have?

12 A In St. Croix, we have approximately -- maybe
13 around approximately six stations, six other stations. And
14 on St. Thomas, there are I guess approximately four, four or
15 six. And on St. John, I do believe it is either one or two.
16 But then we also have the neighboring British Virgin
17 Islands. We have Puerto Rico. And those are places we
18 usually have -- when I was there initially in the beginning,
19 we had a salesperson who dealt with the Puerto Rican market.
20 We had someone who dealt with the St. Thomas market. We had
21 someone who dealt with the British Virgin Islands. And the
22 advertisements were coming in.

23 Now since the sales manager left, we have not had
24 a sales manager. And that's one of the first things that I
25 would have to get a sales manager so we could get the sale

1 going because that is what pays -- generates the revenues.
2 That's what carries the station. That's what pays the
3 bills. And unless we have the sales coming in, then he
4 wouldn't make any sense for me to put my name on the line.

5 Q Well, help me with the geography here. I guess
6 what you're telling me, and I'm only dimly understanding at
7 this point, is that the island's location is such that your
8 stations have the potential at least of putting a listenable
9 signal over all of the areas that you mentioned.

10 A Mm-hmm.

11 Q In other words, not only your own home island, but
12 also a number of other islands with the U.S. Virgin Islands,
13 one or more islands of the British Virgin Islands, and at
14 least a portion of Puerto Rico.

15 A Yes. And also, I forgot to mention the
16 southeastern portion of the Caribbean with the northern
17 segment beyond the British Virgin Islands, which I
18 personally heard our station back in 1992, when my husband
19 and I went to St. Martin, and it was as if we were here
20 talking to one another. It was that clear. There are a lot
21 of residents from other islands, British, French, whatever,
22 in the Caribbean, who live on St. Croix. And many times in
23 the morning, we have a birthday program. They call in, they
24 wish happy birthday. Many times they wish someone who is
25 back on their home island happy birthday. And then they may

1 get a call, oh, I heard it.

2 So, you know, we are being heard not just on St.
3 Croix, but it covers a wide spectrum.

4 Q Well, with the various hurricanes that have gone
5 through, have your competitors been affected the same way
6 you have or differently? And if so, could you explain why
7 the difference is?

8 A I am not aware of what damage they may have
9 received. We're on a hill right beside the sea. We're open
10 on the ground. So I guess that helps. And the antenna is
11 on a hill. That helps to bring it down. We have had winds,
12 I think, in excess of 150 miles per hour. And I've heard
13 2000 miles per hour, but I have no documentation to verify
14 that.

15 But the building where the station is, it is a
16 governmental building that has never been repaired, so we
17 have to repair the building. I have all of the equipment
18 necessary to put a new roof on the building because right
19 now, we have a lot of rain in the past three days. We had
20 to put a tarp over a portion of the roof. We were told that
21 the roof would be repaired. They never came to repair it.
22 So therefore, I took it upon myself to do whatever repairs I
23 could to protect the equipment that is inside. But I have
24 all of the equipment, all of the galvanized for the roof. I
25 have had that since December. And I have a contractor

1 standing by who is ready to put the new roof on, hopefully
2 within the next month.

3 He is working on another job, and as soon as he is
4 through, then he is coming to put that on for me. But as
5 far as the other stations, they have not been affected as we
6 have. And it hurts at times because we have given a lot of
7 public service, a lot of service to the community, and we
8 have had people when the roof started to blow and the
9 hurricane passed, we had residents who came up, volunteered
10 to help us fix the roof or at least patch it so that the
11 equipment wouldn't get wet.

12 We provided free air time. When FEMA came to St.
13 Croix, each time that FEMA came to St. Croix to assist after
14 a hurricane, our station was the only station that provided
15 them with free air time to disseminate information to the
16 residents of the Virgin Islands, not just St. Croix, and
17 that was with use of a line antenna. We got to the people
18 in St. Thomas. We got to the people on St. John. And we
19 never charged for that.

20 Now I know of another station who we visited them,
21 but hey were paid. But that is like the mentality of a of
22 the local people. They feel that since it is locally owned
23 then we have to give them the service free which my father
24 did. But I don't do that. Otherwise, I don't need to be
25 there because it is a business. But it is difficult for a

1 lot of people to understand that unless the revenues come
2 in, we can't keep the station going. And I think it is just
3 a -- I don't know. It is just the way the people were
4 perceived by the residents. They feel, okay, you are
5 genius. You don't need the help. We all need the help.
6 It's a business.

7 But I guess that's difficult to get across. But
8 the other stations, they're not hurting. They are some
9 stations when we have certain events that we would advertise
10 locally, they insist that they have an exclusive so it locks
11 out everyone else. We just had the Triathalon, the Iron Man
12 Triathalon, half of the Triathalon, in St. Croix. That was
13 here last Sunday. They did absolutely no advertisement with
14 us because another station had an exclusive.

15 Now then they started that Triathalon years ago,
16 everyone got a share of it. And after the second or third
17 event, second or third annual event, all of a sudden we
18 could get nothing. But the same Department of Public
19 Safety, who is responsible for barricading, directing the
20 traffic, we're giving them free time, and they get to talk
21 about the Triathalon fee. But there is another station that
22 has an exclusive. They all the money involved with the
23 Triathalon privatizing, and I think that's unfair.

24 Our local carnival that is held in December in St.
25 Croix, our station was the only station that would provide

1 advertisement for them for free. When they started making
2 money, then they started paying. All of a sudden, the other
3 stations who wanted absolutely nothing to do with them, they
4 decided, now that they are paying, they are ready to deal
5 with them. The same station again wanted an exclusive.

6 Now they not even applied for some music to begin
7 with. But they want an exclusive that blocks out the
8 Caribbean station, calypso playing station, or any other
9 small station who could get a little piece.

10 I believe in giving everyone something. I don't
11 want everything for myself. But they are times when I think
12 fairness has to be involved. I don't know. I think I have
13 spoken enough because I sound like a preacher, but it really
14 gets to me because we're not there. My father worked at
15 that station in the 1950s. My father purchased that station
16 for -- it has aesthetic value to him. He didn't purchase
17 that station to get rich overnight, to make a profit. He
18 wanted that station because that is where he worked when we
19 were small.

20 That is where -- he has always loved broadcasting.
21 And I remember telling him be careful because broadcasting
22 in the '50s is not the same now as it was then. He found
23 that out. That's why I'm here. It's not the same. You
24 have rules and regulations to follow. And I am stickler for
25 perfection. I believe in following rules and regulations.

1 And if I know that I am not capable of doing something, I
2 would never put my name on the line. I would never take the
3 chance. But I feel that I can make a difference, and all I
4 need is a chance to prove that I can. And if I see where I
5 am getting under -- it is too much for me, I'll be the first
6 to admit this is too much. It's time to leave. And then we
7 have to find some other means, whatever it is.

8 But I also like a challenge. And this is a major
9 challenge.

10 MR. SHOOK: No argument there. Why don't we take
11 a bit of a break, let everybody get some lunch. And I don't
12 believe I'll have all that much more to do when you get
13 back.

14 MR. COLBY: You plan to finish in one day?

15 MR. SHOOK: Oh, yes, certainly. No. I'm
16 anticipating that once we get back, I'm looking at no more
17 than an hour and a half. And if I can get it done faster
18 than that, I will.

19 MR. COLBY: Let's go down and have a smoke and get
20 something to eat.

21 MR. SHOOK: All right. So why don't we try to get
22 back here about a quarter to 2:00.

23 (Whereupon, at 12:42 p.m., a luncheon recess as
24 taken.)

25 //

A F T E R N O O N S E S S I O N

1:48 p.m.

BY MR. SHOOK:

Q Are we ready? Okay. Before we left, I think you had mentioned your current address, and I just want to clarify that. What is your current --

A Physical address? 83 Estate Anna's Hope, Christiansted St. Croix, U.S. Virgin Islands.

Q And is that your parents' address as well?

A Yes.

Q And how long have you resided with your parents?

A I have been there since I moved home in 1990. It's a large home, so they wanted me to stay there with the children since it is just two of them.

Q Meaning your parents?

A Yes.

Q And you are there with your children and your husband?

A My husband lives in Maryland. We go back and forth.

Q Now you had mentioned -- I don't know if this was on the record or if it would off the record conversation that we had, about your son's asthma problem that apparently requires periodic hospitalization anyway, correct?

A Yes.

1 Q Do you have health insurance that covers the
2 expense for that?

3 A Yes, I do.

4 Q And so the only out of pocket expense, other than
5 insurance deductibles would be cost of transporting him to
6 and front the Virgin Islands and Washington, D.C. when he
7 has to go to the hospital?

8 A Yes.

9 Q And is that something that you have normally
10 picked up, or is that something that your parents have
11 picked up?

12 A No. I have normally taken care of that, my
13 husband and I.

14 Q Now did you personally have any role in the
15 acquisition of the stations back in 1990?

16 A No, I did not.

17 Q Could you tell me who Derrick Humphries is?

18 A I do believe he was a local attorney here in
19 Washington, D.C. that my father had gotten to handle all of
20 the paperwork and everything as far as the transfer from the
21 previous owners. I don't know him personally.

22 Q Oh, you don't know him? Okay.

23 A No.

24 Q Do you have any idea or knowledge as to why his
25 services were discontinued?

1 A I have no idea.

2 MR. SHOOK: I'd like to have this marked, the next
3 Deposition Exhibit.

4 (The document referred to was
5 marked for identification as
6 Deposition Exhibit No. 11)

7 BY MR. SHOOK:

8 Q Now correct me if I'm wrong. What I have handed
9 to you is your declaration that you signed on March 12 of
10 this year.

11 A Yes, it is.

12 Q And this declaration was submitted, I believe, in
13 connection with a cleaning that your counsel filed on
14 Family's behalf.

15 A Yes, it is.

16 Q Now with respect to -- I want you to look, at
17 paragraph No. 5 and just read it to yourself. Now I take it
18 that when you state in the last sentence of that paragraph,
19 "You never involved me in any of the work," you're stating
20 that he didn't seek your advise or counsel in of how to
21 prepare any of the documents.

22 A That's correct.

23 Q And in fact, he would not have even showed you the
24 documents prior to their submission to the FCC?

25 A No, not that I can recall. I don't remember

1 seeing any f them.

2 Q Well, did you ever occasion to read any of his
3 submissions subsequent to their submission to the FCC?

4 A No.

5 Q And this would have been the case even when you
6 were general manager of the stations, first between 1990 and
7 the end of 1992, and then later on, January '98, up to the
8 point in time when you became president?

9 A That's correct.

10 MR. SHOOK: I'd like this marked as Deposition
11 Exhibit 12.

12 (The document referred to was
13 marked for identification as
14 Deposition Exhibit No. 12)

15 BY MR. SHOOK:

16 Q What I have marked as Deposition Exhibit 12 --
17 there are two others as matter of fact, one during the date
18 of September 12, 1991, signed by G. Luz A. James, and one
19 during the date of October 2, 1991, also bearing Mr. James'
20 signature. Now along the lines of what we just talked
21 about, I want you to take a look at the letter of September
22 12, 1991, first. And for your benefit, I will tell you that
23 the markings that appear underneath Mr. James' signature on
24 page 2, so far as I know, were placed by persons within the
25 Commission, sometime well after the letter that was sent to

1 us, so that that had nothing to do with your father.

2 But in any event, with respect to the September
3 12, 1991, letter, is this a letter that you have ever seen
4 before?

5 A No. I don't recall ever seeing this.

6 Q Now looking at the October 2, 1991, letter, which
7 here is pages 3 and 4 of Deposition Exhibit 12, have you
8 ever seen this letter before?

9 A No.

10 Q Now with respect to Deposition Exhibit 12, the
11 page 1, the September 12, 1991, letter, the second paragraph
12 from the bottom refers to a new FM transmitter having been
13 ordered. "And it is our hope that the same should be in
14 place by January of 1992." Do you have any knowledge about
15 the purchase of a new FM transmitter at about this period of
16 time?

17 A No, I don't, no direct knowledge. But I do know
18 that a transmitter was at the FM site. But I have no
19 knowledge as to when it was purchased.

20 Q Now did there come a time when you became aware
21 that WSTX ceased broadcasting?

22 A Not until I had seen the documents from the FCC.

23 Q And which documents are you thinking of? Describe
24 them generally if you can.

25 A The documents that came in February of this year.

1 Those were the documents that the order that came in in
2 February of this year.

3 Q Okay. I'm going to see if I can nudge your memory
4 a bit here. The FCC conducted a hearing proceeding in -- I
5 believe it was 1997 -- concerning WSTX FM and the fact that
6 for a period of time, it had been off the air. Were you
7 aware that the station had been off the air in the mid-
8 1990s?

9 A Not initially. Back at the time when it was off,
10 I was not aware that it was off, at that time.

11 Q Now is that because you had listened to the AM
12 station and not the FM?

13 A Well, that's the only station that I really listen
14 to.

15 Q The AM station.

16 A Yes.

17 Q Did you ever learn why the FM station went off the
18 air?

19 A No.

20 Q Were you aware that your father had gone to
21 Washington, D.C. to participate in the hearing concerning
22 the FM station?

23 A I know he mentioned that he was coming up for a
24 hearing. But as far as the extent, the content of what the
25 visit was about, I had no knowledge of that.

1 Q Now I understand at that point in time you were
2 working for the state legislative, correct?

3 A Yes, I was.

4 MR. SHOOK: Famous last words, I think that is the
5 last exhibit I am going to use.

6 (The document referred to was
7 marked for identification as
8 Deposition Exhibit No. 13)

9 BY MR. SHOOK:

10 Q Now just take a glance through this. You don't
11 have to study it in any extent. But the basic question is
12 is this a document, or a series of documents, that you have
13 ever seen before?

14 A No, not that I can recall.

15 Q Do you have an understanding as to what it is
16 you're looking at?

17 A Yes, I do.

18 Q And what is it that you think you're looking at?

19 A It is the application renewal for the FM station.

20 Q So I take it that you should have no role
21 whatsoever in preparing this document for filing with the
22 Commission?

23 A No, I did not.

24 Q Well, turning to pages 7 through 10 of the
25 exhibit, two of those pages bear an FCC mailing stamp of

1 Mary 26, 1996. Have you seen these pages before?

2 A Not that I can recall.

3 MR. SHOOK: Well, with respect to the information
4 that appears on page 9 -- I'm going to give you a chance to
5 read through it. So let me know when you are finished.

6 (Witness examined document)

7 BY MR. SHOOK:

8 Q Now have you ever seen this document before?

9 A No, I have not.

10 Q Your living arrangement with your parents, is that
11 something where you are paying them a certain sum on a
12 monthly basis, or are you there basically rent free?

13 A Basically rent free.

14 Q And do you share in the household expenses in any
15 way?

16 A Well, food for my children. But usually, my
17 mother -- let me put it this way. I don't have to cook for
18 my children because my mother takes care of all of the
19 grandchildren. By the time we get home from work, they have
20 already been fed. And she loves doing that, so I don't have
21 to worry about that.

22 Q How the grandchildren? How many different sets of
23 grandchildren are there?

24 A Oh, all of the grandchildren are in St. Croix.
25 There are -- it can be as many as eight at one time. They

1 have 11 grandchildren.

2 Q So your three and then --

3 A Well, I have a daughter in college. She is
4 currently in Louisiana. And I have a niece and a nephew
5 here in Washington, D.C., and a nephew in New York. But
6 usually, there are as many as eight of them in St. Croix at
7 any one time during the summer, summer vacation, Christmas
8 vacation.

9 MR. SHOOK: Okay. Give me a minute while I
10 consult with my counsel.

11 (Discussion off the record)

12 MR. SHOOK: We have no further questions. So, Mr.
13 Colby, if you'd like to cross examine.

14 MR. COLBY: I only have three or four.

15 CROSS-EXAMINATION

16 BY MR. COLBY:

17 Q With respect to the 1995 ownership report, did
18 there ever come a time when your father told you that you
19 had any stock in Family Broadcasting, Inc.?

20 A I don't recall him directly telling me that.

21 Q Did he ever give you any shares of stock, stock
22 certificates?

23 A No.

24 Q So at the time of the 1995 ownership report, you
25 did not have any stock certificates in your possession?

1 A No, I didn't.

2 Q And you still have no stock certificates in your
3 possession.

4 A No, I don't.

5 Q You mentioned that you attempted to speak with the
6 accountant, but he was not there on your last visit to the
7 Virgin Islands. Is that correct?

8 A Yes.

9 Q Is it your intention to speak with him when you
10 get back to the Virgin Islands?

11 A Yes, it is.

12 Q Is it your intention to do anything about any tax
13 returns which may not have been filed but should have been
14 filed?

15 A Well, yes, it is.

16 Q Do you know whether your mother would give you a
17 written commitment for the funds needed to keep the station
18 on the air and bring the station into compliance with
19 commission rules?

20 A Yes, she would.

21 Q Have you discussed that with her?

22 A Not a written. The agreement that we had was just
23 verbal. But she would have no objections to putting it in
24 writing.

25 Q Did there come a time subsequent to the issuance

1 of the order to show cause and your visit to my office, your
2 first visit, did there come a time when it came to your
3 attention that you didn't have a contour map in your public
4 file?

5 A Yes, that's correct.

6 Q And did you direct someone to prepare a map?

7 A Yes, I did.

8 Q Is this the map?

9 A Yes, it is.

10 Q Do you know who prepared that?

11 A This was done by a consulting engineer from
12 Atlanta. I think his name is Gillmoore. It is done by
13 Bromo Communications.

14 Q And has that map been placed in the local public
15 file?

16 A Yes, it has.

17 MR. COLBY: I don't have anything more.

18 MR. SHOOK: For purposes of clarity, would it be
19 okay if we photocopied the --

20 MR. COLBY: Sure. But unfortunately, you probably
21 don't have a color copier.

22 MS. BERTHOT: Yes, we do.

23 MR. SHOOK: Well, come to think of it, I think we
24 do.

25 MR. COLBY: Yes, well, by all means then.

1 MR. SHOOK: Will wonders never cease. If it's
2 okay with you, we would simply mark it as Deposition Exhibit
3 No. 14, which I believe is the next number.

4 (The document referred to was
5 marked for identification as
6 Deposition Exhibit No. 14)

7 MR. SHOOK: It's a one page document, right?

8 MR. COLBY: Right. I'll need a copy for the
9 reporter.

10 MS. BERTHOT: Two pages.

11 MR. SHOOK: Oh, two pages, okay.

12 MR. COLBY: Clarifying, I might ask the witness,
13 did you have maps prepared for both the AM and the FM
14 station?

15 THE WITNESS: Yes, I did.

16 BY MR. COLBY:

17 Q And those are the maps, the ones that I showed
18 you?

19 A Yes, they are.

20 Q Deposition Exhibit No. 12, I believe. Fourteen.

21 A Yes.

22 MR. COLBY: I have nothing more.

23 MR. SHOOK: Okay.

24 MR. COLBY: I just wanted to point out that those
25 maps have been prepared.

1 MR. SHOOK: Okay. I do have one follow-up
2 relative to the tax returns.

3 REDIRECT EXAMINATION

4 BY MR. SHOOK:

5 Q Is it your understanding that the federal tax
6 returns for the year 2000 is past due?

7 A Yes, it is.

8 Q So far as you knew, it was due April 15th of this
9 year?

10 A Yes, it was.

11 Q And when you return, it's your intention to have
12 it prepared and filed?

13 A Yes, it is.

14 Q And at the same time, you will find out what
15 happened with the 1998 and 1999 returns?

16 A Yes, I will.

17 MR. SHOOK: I have nothing further.

18 MR. COLBY: I have nothing further.

19 (Whereupon, at 2:09 p.m., the deposition was
20 adjourned.)

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